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Proposed programme budget for the biennium 2008-2009

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Resource requirements for procurement investigations

Sixteenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on interim arrangements for the Procurement Task Force of the Office of Internal Oversight Services for 2008 and related resource requirements (A/62/520). During its consideration of the report, the Committee met with the Under-Secretary-General for Internal Oversight Services, the Chairman of the Task Force and other representatives of the Secretary-General, who provided additional information and clarifications

2. The Office of Internal Oversight Services has reported separately on the activities of the Task Force for the 18-month period ended 30 June 2007 (A/62/272). As stated in paragraph 2 of the report of the Secretary-General (A/62/520), "while the Task Force was intended as an interim ad hoc entity established to address a particular problem, it is unlikely that the pending investigations being handled by the Task Force will be completed by the end of 2007". Upon enquiry, the Advisory Committee was informed that the Task Force currently has 289 cases, of which more than 40 are significant, complex matters involving high-value contracts and multiple procurement exercises over several years. The aggregate value of contracts under examination by the Task Force exceeds $1.5 billion. The Task Force has closed 125 cases and issued 25 reports.

3. The Secretary-General indicates that the interim arrangements for the Task Force for 2008 are proposed pending the finalization of proposals and their review by the General Assembly. **In this context, the Advisory Committee emphasizes the interim character of the arrangements described in the report of the Secretary-General and points out that it will revert to the issue of funding of activities implemented by the Task Force in the context of its review of the**

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forthcoming reports of the Secretary-General on the overall capacity of the Office of Internal Oversight Services, as well as other relevant reports (see A/62/7, para. IX.19). Accordingly, the Committee's recommendations in this connection are without prejudice to its future consideration of the forthcoming report of the Secretary-General on the Office of Internal Oversight Services.

4. The Secretary-General indicates that the activities of the Task Force for 2008 would be carried out by drawing, to the extent possible, on the established staffing table of the Investigations Division of the Office of Internal Oversight Services. Vacant posts would be utilized pending the long-term recruitment of staff against such posts. Operational costs would be absorbed to the greatest extent possible, and the outcome of those efforts would be reported in the context of performance reports on the regular and peacekeeping budgets.

5. Requirements for the Procurement Task Force for 2008 are estimated by the Secretary-General at $4.9 million, including $3.0 million for general temporary assistance, comprising 27 positions (1 Chairman (D-2), 1 Senior Investigator (P-5), 18 Investigators (P-4), 1 Forensic Officer (P-4), 1 Associate Officer (P-2), 1 Information Technology Officer (P-4), 1 Information Manager (P-2), 1 Administrative Officer (P-3) and 2 General Service (Other level) support staff). The Advisory Committee was informed that of the 27 positions, three P-4 Investigator positions were vacant as at 14 November 2007.

6. The estimated requirements also include a provision of $696,000 for contractual services, $595,800 for general operating expenses, $432,000 for travel, $132,900 for furniture and equipment and $20,000 for supplies and materials.

7. Upon enquiry, the Advisory Committee was informed by the Office of Internal Oversight Services that the estimated requirements of $696,000 for contractual services

> refer almost exclusively to the outside forensic experts hired to perform the function of securing, maintaining, examining and organizing the electronic evidence which is central to the Task Force's work. This is a critical function, and a function which is proposed to be developed in-house to reduce costs. The function is required to be phased in, as Task Force staff members need to be trained in the techniques, methods and skills necessary to perform forensic imaging and analysis, a highly specialized skill requiring specialized training, and the proper equipment must be purchased. The proposal is to phase in this capacity in 2008. Therefore, some reliance on these experts will still be needed in 2008. By 2009, such reliance should be integrated into the Office of Internal Oversight Services.

8. Regarding the increase in travel requirements from $351,200 for 2007 to $432,000 for 2008, the Advisory Committee was informed by the Office of Internal Oversight Services that

> as the majority of the caseload involves peacekeeping missions, the Procurement Task Force must travel at times to these locations and overseas offices in furtherance of the investigation. The Task Force has always been very mindful and careful of expending funds on travel, and undertakes travel to missions and overseas offices sparingly and only when necessary. In 2006, the Task Force was required to focus upon the eight staff members placed upon special leave. Most of these cases concerned Headquarters procurement

matters. In 2007, the Task Force has focused upon its core purpose, namely, procurement in the peacekeeping missions. In connection with these cases, the Task Force is required to travel more extensively and has been to seven missions thus far, with several more to address. Therefore, increased travel to missions and overseas is needed in 2008 to conclude these matters. Further, additional referrals continue to be made in connection with peacekeeping mission procurement.

9. The Advisory Committee notes that charges for the Procurement Task Force would be apportioned between the peacekeeping budgets (85 per cent) and the regular budget (15 per cent).

10. **The Advisory Committee recommends that the General Assembly take note of the Secretary-General's proposed arrangements and of his intention to accommodate the related requirements, to the extent possible, within the appropriations for the period concerned and to report thereon in the context of financial performance reports. The Committee expects that these requirements will be absorbed within the approved appropriations.**